

OFFICE OF MANAGEMENT AND BUDGET

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MEMORANDUM

January 11, 2021

TO: Board of County Commissioners

FROM: Norman Foster, Director
Office of Management and Budget *Norman Foster*

SUBJECT: Fiscal Impact Statement Re: Proposed Ordinance Amending Sections 5-182, 5-182.13, 5-182.7 and 5-182.9 of the Broward County Code of Ordinances, Relating to Credit for Demolished Buildings

Summary

Developers are charged transportation concurrency assessments based on the total peak-hour trip generation of the proposed development and the concurrency district in which the development would be located. Revenue generated by these assessments is used to fund transit enhancements in the district. Developments in two concurrency districts are additionally assessed road impact fees. Residential developers are also charged school impact fees and regional park impact fees or, in the case of developments located in the unincorporated area, local park impact fees. The Planning and Development Management Division (PDMD) collected a total of \$25.4 million in impact fees and concurrency assessments in fiscal year 2020, including \$15.5 million in school impact fees, \$8.1 million in transportation concurrency assessments, \$1.2 million in regional park impact fees, and \$0.6 million in road impact fees. School impact fees are collected by the County and are passed through to the Broward County School Board.

Under the current ordinance, applicants for development permits are granted credit for 100% of the generated trips of a demolished development for the purpose of calculating transportation concurrency assessments and road impact fees if that development qualifies as existing. Demolished buildings qualify as existing if they have been demolished within 18 to 30 months, depending on the size of the building. Developers receive credit towards regional and local park impact fees and school impact fees for buildings that have been demolished within the previous 18 months.

Under the proposed ordinance, applicants for development permits would receive credit for 100% of generated trips or impact fees previously paid for buildings that had been demolished within the previous ten years regardless of the size of the building.

Fiscal Impact

PDMD reports that there are three projects with applications submitted since March 1, 2020, that would be affected by the proposed ordinance totaling \$109,910 in impact fees and concurrency assessments. PDMD estimates that this represents six months of applications, so the yearly loss in revenue due to the proposed ordinance is estimated at \$220,000, a portion of which would be school impact fees due to the School Board. [The Additional Material relating to conforming amendments to 5-182.7 and 5-182.9 does not change the fiscal impact.]

NF:mc